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September 27, 2006

MEMORANDUM 2006-07

TO: Division Directors
Division Budget Officers
Office Directors

FROM: Jim Slate

SUBJECT: Results Based Budgeting and the DHHS Supplemental Package

All divisions are in the process of developing their continuation and expansion budget requests and their DHHS Supplemental package to go along with OSBM's Results Based Budgeting effort. While information has gone out via e-mail and has been disseminated in a departmental training session on August 17, this memorandum is to summarize and provide additional guidance regarding both the Results Based Budgeting (RBB) and the DHHS Supplemental package efforts.

Program Management Database

Program information as entered in the Program Management Database (PMD) is the basis for much of the information needed to complete the DHHS Supplemental package. Divisions should ensure that information in the PMD is accurate and complete.

DHHS Supplemental Package

The DHHS Supplemental package should be developed first and used as a basis for developing the RBB document for OSBM. A template for the DHHS Supplemental Package was sent to each division the week of August 21 – August 25. This template was discussed during the meeting on August 17 regarding Results Based Budgeting. Instructions on completing the DHHS Supplemental document are included in the bound booklet entitled "Results Based Budget 2007-09" distributed at the meeting. This booklet is also on the Budget & Analysis web site under Results Based Budgeting in the 'Overview' section.

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All items in the DHHS Supplemental Package must be completed for the October 13 submission, except for the sections/items listed below. The page numbers listed below reference the page that the item/section can be found on in the DHHS Supplemental template in the “Results Based Budget” booklet.

- Governor’s Recommended Adjustment to Base Budget Section (page 2 & 3) – this cannot be completed until the Governor’s Recommended Budget is released.
- Expenditure History and Positions History (page 4) – Budget and Analysis will generate data for both graphic presentations.
- Total Budget Summary (page 4) – Continuation columns and Expansion Adjustment columns for both years of the biennium.

This supplemental package is due to Budget and Analysis on October 13, 2006 and will be used by Department management in considering your division’s expansion requests.

OSBM’s Results Based Budgeting Document

The DHHS Supplemental package developed by each Division is to be used as the basis for creating OSBM’s RBB document.

The RBB document must be developed for all divisions at the fund code level. This will provide consistency between the RBB and the DHHS Supplemental document.

The program descriptions listed in the PMD and in the DHHS Supplemental package are to be used as a basis for the service statements required by OSBM. An excel spreadsheet containing program information from the PMD will be sent to your division in the coming days. This spreadsheet includes the methodology for creating a service statement and should be used to document your service statements. ***Your completed service statements should be submitted to your analyst in Budget & Analysis for review by October 20, 2006.*** After completing the review, your analyst will notify you that your service statements are ready to be entered into OSBM’s web application for RBB.

Information on results based budgeting for DHHS can be found on the Budget & Analysis web site, including a Question and Answer section that is periodically updated. Divisions are notified via e-mail when the Question and Answer section is updated. If you have any questions regarding the information in this letter or on the web site, please do not hesitate to contact your analyst.

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cc: Carmen Hooker Odom
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